

Schedule B  
TARGETED CASE MANAGEMENT

GENERAL PROVISIONS

This agreement discusses the relationship established between OSA and DSS for the purpose of providing targeted case management to the elderly and disabled. This agreement also recognizes activities directly performed by OSA as well as the activities of the AAAs who have contractual ties to OSA and who perform targeted case management-related activities as Medicaid providers.

SECTION I: DSS RESPONSIBILITIES

DSS will:

1. Assure that TCM claims meet DSS policies and guidelines; prepare and submit claims for federal financial participation (ffp).
2. Make information available to OSA to permit verification of client Medicaid eligibility and provider Medicaid enrollment prior to bill preparation and submission of claims.
3. Verify that the individual for whom a claim is made is eligible for Medicaid.
4. Conduct periodic reviews as necessary to determine that OSA responsibilities under this agreement are fulfilled.
5. Generate a remittance advice to providers, with a copy to OSA, indicating the status of claims received by DSS. Reimbursement for TCM is made pursuant to the arrangements described in the Michigan Medicaid State Plan, Attachment 4.19-B, Item 9, "Case Management Services".
6. Monitor TCM claims to prevent duplication of services.

SECTION II: OSA RESPONSIBILITIES

OSA will:

1. Assure that TCM providers conform to DSS approved case management criteria through annual certification reviews of each provider agency.
2. Assure that each Medicaid client has an appropriate care plan developed by a qualified case manager after an assessment of the client's needs.
3. Provide written TCM billing documentation to DSS in a format specified by DSS.
4. Maintain the historical file of TCM services, by client.
5. Assure that case record documentation of TCM is maintained for six years for the purpose of subsequent audit.

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6. Provide guidance to, and encourage collaboration between, local agencies providing case management.
7. Assure client freedom of choice in the selection of a case manager.
8. Adhere to standards of confidentiality, as defined in 42 CFR 431 and State law, regarding client information and assure the same of the AAAs. Client information may be shared ONLY as necessary for the administration of Medicaid reimbursable activities.
9. Assure that the provider agency adheres to the following:
  - a. TCM should be provided in accordance with a care plan;
  - b. TCM services shall meet program criteria approved by DSS;
  - c. clients should be involved in the TCM process and their rights respected;
  - d. standards of confidentiality, as defined in 42 CFR 431 and State law, regarding client information. Client information may be shared ONLY as necessary for the administration of Medicaid reimbursable activities;
  - e. TCM shall be documented to OSA in a format specified by OSA;
  - f. appropriate records shall be maintained for six years for the purpose of subsequent audit;
  - g. cooperation shall be provided to financial and programmatic audits by OSA.

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Schedule C  
HOME AND COMMUNITY BASED SERVICES  
ELDERLY AND DISABLED WAIVER  
(AND PERSONAL CARE)

GENERAL PROVISIONS

This agreement describes the relationship established between OSA and DSS for the purposes of administering various activities related to the HCBS waiver and related State Plan personal care services. (Personal care for waiver clients must meet existing criteria as indicated in 3.1A 23 (f) of the Michigan State Plan as well as the criteria indicated in the approved waiver plan. For this schedule, reference to waiver services includes personal care services.) This agreement also recognizes the operational responsibilities of OSA, as well as the responsibilities of the AAAs who perform waiver activities directly as organized health care delivery systems (OHCDS).

SECTION I: DSS RESPONSIBILITIES

DSS, as the single State Medicaid agency is ultimately responsible for ensuring that the terms and conditions of the HCBS/ED waiver are met.

DSS will:

1. Provide necessary client information to the Office of Services to the Aging, as the administrator of this waiver, and the AAAs as needed.
2. Assure cooperation between OSA and the Department of Public Health (DPH) with respect to the determination of the clients medical eligibility for nursing home care through the use of the R-19, Request for Prior Authorization of Medical Eligibility for Reimbursement for Skilled Nursing or Intermediate Care.
3. Review determinations of medical eligibility and determine financial eligibility for individuals who make an application for Medicaid benefits.
4. Conduct hearings of client appeals on waiver eligibility and service denials.
5. Arrange for and provide funding for evaluation activities, including an independent assessment of the HCBS/ED waiver, if required.
6. Determine an annual amount to be allocated for HCBS/ED waiver services and obtain HCFA approval regarding administrative funds for the HCBS/ED waiver.

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7. Process claims for HCBS/ED waiver services through the Medicaid Management Information System. The claims will be subject to all appropriate Medicaid policies and will assure:
  - a. that clients are Medicaid eligible;
  - b. that waiver services are not claimed for clients while they are institutionalized; and
  - c. that waiver services are not claimed for the cost of room and board, except for approved out-of-home respite services.
8. Provide OSA and AAAs with remittance advices identifying the status of waiver and related personal care services claims received by DSS;
9. Prepare and submit to HCFA the required quarterly and annual reports for service expenditures.
10. Prepare and submit to HCFA ffp claims for waiver administration and services.
11. Assure financial accountability:
  - a. conduct periodic program and fiscal audits of OSA to review compliance with the terms and conditions of the HCBS/ED waiver;
  - b. ensure that financial documentation kept by DSS for waiver services is maintained for six years for purposes of subsequent audit.
12. Provide OSA with non-waiver Medicaid expenditure data on all waiver recipients for purposes of evaluating waiver costs during any waiver year.
13. Cooperate and collaborate with OSA and the AAAs to review the overall waiver progress, address project issues and concerns, and evaluate project performance.

**SECTION II: OSA RESPONSIBILITIES**

OSA, as the administrative agent for waiver operations, is responsible for the day to day operation of the HCBS/ED waiver.

OSA will:

1. Ensure that all AAAs operate in compliance with DSS approved requirements for an OHCDs through annual certification reviews of each OHCDs entity.

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2. Ensure that each AAA's performance of activities complies with the HCBS/ED waiver plan as approved by HCFA, OSA administrative standards, the terms and conditions of this agreement, Department of Management and Budget administrative rules, DSS policies and guidelines, and OSA/DSS waiver policy and procedures.
  - a. provide AAAs with written notification when waiver requirements are not met;
  - b. recommend corrective action, as necessary;
  - c. ensure that corrective action procedures are implemented in a timely manner.
3. Verify that AAAs providing administrative case management under the waiver meet the same operating, management, and CM Performance Criteria as specified in Schedule B, Targeted Case Management, of this agreement, with the exception of Section II, item 7.
4. Maintain a state waiver client register and individual client files of all waiver services on the OSA Client Tracking System (CTS);
5. Compile billing data, and submit to DSS at least quarterly, as required by DSS specifications and format.
6. Provide DSS with expenditure reports for OSA's costs and each AAA's costs in a format, and on a schedule, specified by DSS.
  - a. compile waiver data as required and submit to DSS in a timely manner;
  - b. generate ad hoc waiver reports from the CTS as needed by DSS and OSA for purposes of evaluating waiver performance and program expenditures.
7. Ensure that financial documentation for waiver services is maintained by AAAs for purposes of subsequent audit;
  - a. maintain documentation to fully disclose the extent of waiver services provided for a period of six years for the purpose of subsequent audit;
  - b. provide these records upon request to DSS, HCFA, or any other agency with authority to audit.
8. Perform fiscal assessments of the AAAs using DSS approved policies and standards.
9. Using the CTS, monitor projected vs actual expenditures for waiver services to determine cost-effectiveness per the approved waiver plan.

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10. Ensure that waiver costs are below the cost of nursing home care by evaluating expenditure rates on the CTS.
11. Adhere to standards of confidentiality, as defined in 42 CFR 432 and State law, regarding client information and assure the same of the AAAs. Client information may be shared ONLY as necessary for the administration of Medicaid reimbursable activities.
12. Cooperate with evaluation activities, including the independent assessment if required under HCFA's Home and Community Based Services rules.
13. Cooperate and collaborate with DSS and the AAAs to review the overall waiver progress, address project issues and concerns, and evaluate project performance.

### SECTION III: AAA RESPONSIBILITIES

For purposes of this waiver, AAAs under contract with OSA will function as organized health care delivery systems (OHCDS) and will carry out their OHCDS responsibilities in compliance with DSS-approved requirements for operation of an OHCDS. In their capacity as OHCDS, AAAs will:

1. Enroll eligible clients in the waiver:
  - a. conduct waiver assessments (pre-admission screenings);
  - b. complete the R-19 forms for evaluations and annual re-evaluations;
  - c. inform Medicaid clients of all available waiver service alternatives;
  - d. provide waiver recipients with choice of institutional or home and community based care;
  - e. respect the client's choice of service alternatives;
  - f. explain the appeal process to each client, as appropriate;
  - g. assist the client in completing the necessary forms for Medicaid eligibility determinations;
  - h. adhere to standards of confidentiality, as defined in 42 CFR 431 and State law, regarding client information. Client information may be shared ONLY as necessary for the administration of Medicaid reimbursable activities.

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2. Link clients to services;
  - a. develop individual written care plans for waiver clients;
  - b. establish frequency and duration of all waiver and related state plan services on client care plans;
  - c. submit appropriate documentation to DSS for authorization of Medicaid State Plan covered durable medical equipment, and/or medical supplies. Remaining services will be covered by the waiver program;
  - d. arrange waiver and related state plan services to be provided;
  - e. assist the client in locating providers, if necessary.
3. Monitor service delivery and client status;
  - a. provide case management according to DSS approved case management criteria;
  - b. ensure that all services are provided as authorized in individual care plans;
  - c. monitor and evaluate clients' health status;
  - d. ensure that waiver services are not provided to institutionalized clients.
4. Contract with qualified entities to deliver HCBS/ED waiver services;
  - a. ensure that entities meet and maintain all applicable service standards and waiver requirements;
  - b. utilize contracts with such entities which meet the requirements of 42 CFR 434.6;

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5. Reimburse contractors and/or subcontractors who are part of the OHCDS for waiver services furnished to individual clients as authorized in the client's care plan.
  - a. provide billing instructions to contractors and /or subcontractors;
  - b. prior to payment, verify that waiver services are provided according to the client care plan;
  - c. ensure that all available third-party reimbursement resources are identified and utilized prior to authorizing expenditures for waiver services;
  - d. on a monthly basis, prepare and submit service payment data to OSA, according to DSS approved specifications and format.
6. Track waiver service costs on CTS:
  - a. maintain individual client files as required by OSA on all waiver clients for the purpose of tracking client demographics, service payment data, and client status;
  - b. submit all CTS client files to OSA monthly;
  - c. edit and update files as required by OSA.
7. Review contractor and /or subcontractor activity and billing claims through independent financial audits as required by DSS approved standards.
8. Maintain records; and
  - a. ensure that all necessary records (e.g., care plans, R-19s, financial documentation) are maintained to disclose fully the extent of services provided for a period of six years for the purpose of subsequent audit;
  - b. provide these records upon request to OSA, DSS, HCFA, or any other agency with authority to audit.
9. Cooperate and collaborate with DSS and OSA to review the overall waiver progress, address project issues and concerns, and evaluate project performance.

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**AGREEMENT BETWEEN  
THE MICHIGAN DEPARTMENT OF SOCIAL SERVICES AND  
THE MICHIGAN DEPARTMENT OF EDUCATION**

Pursuant to Act 280, Public Acts of Michigan of 1939, as amended, a Medical Assistance Program has been implemented in the State of Michigan as authorized by Title XIX of the federal Social Security Act, as amended.

In order to comply fully with the provisions of the above legislation with reference to appropriate and related federal requirements, this agreement is entered into by the Michigan Department of Social Services, hereinafter referred to as "Social Services," and the Michigan Department of Education, hereinafter referred to as "Education."

**ARTICLE I**

It is the intent and purpose of the parties hereto, by entering into this agreement, to promote high quality of health care and services for recipients of Michigan's Medical Assistance Program, to assure the proper expenditure of public funds for health care services provided said recipients, and to conform with applicable state and federal requirements. The extent of responsibilities and duties of the parties to this agreement are subject to the terms and conditions contained in the specific schedules attached hereto.

**ARTICLE II**

Assigned functions will be carried out by Education and Social Services in full compliance with Michigan's approved State Plan for Medical Assistance, provider manuals, enrollment agreements, and the statutory and regulatory requirements of the U.S. Department of Health and Human Services. The respective responsibilities of Education and Social Services are detailed in schedules, as amended from time to time, which will be attached and which, when signed and dated by the directors of the two departments, are hereby incorporated as part of this agreement.

It is understood and agreed that the parties shall have the right to examine all physical records originated or prepared pursuant to this agreement, including working papers reports, charts, and any other documentation arising out of this agreement. Said records shall be made available for review by the parties upon reasonable notice. The parties shall, for six years from the date of origination, maintain all pertinent data, information, and reports.

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### ARTICLE III

In the performance of the functions, Education is not authorized and may not change, disapprove, or delay action on any administrative decision of Social Services or otherwise substitute its judgment for that of Social Services as to the application of policies, rules, and regulations promulgated or otherwise initiated by Social Services.

It is further agreed and understood between the parties that, in recognizing the ultimate authority of Social Services as the single State agency for administration of the Medical Assistance Program, Social Services shall solicit recommendation of policies and procedures for the Medical Assistance Program coverage of School Based Services. However, decisions of Social Services within its authority shall be final and binding on all parties to this agreement.

### ARTICLE IV

It is agreed that each party to this agreement shall provide the other with data necessary to carry out its responsibilities under this agreement. It is also agreed that Education will assign appropriate professional personnel, when indicated, to coordinate with financial auditors when questions regarding School Based Services to Medical Assistance recipients are identified.

### ARTICLE V

It is agreed that each party will consult and cooperate on budget issues. It is also agreed that the State portion of the total reimbursement for services rendered to Medical Assistance recipients will be the responsibility of the cooperating school districts. Social Services will reimburse the cooperating school districts for the federal portion of said reimbursement according to the medical assistance provider enrollment agreement and the provider manual for School Based Services.

The parties further agree that, whatever audits or financial management reviews may be deemed appropriate, such audits or reviews may be initiated in order to assure that local funds certified as being available are actually available, or that other Federal funds received at the local level are not supplanted as the State's share of the match.

### ARTICLE VI

This agreement supersedes any prior agreement between the parties and shall continue in effect until or unless the two parties agree to modify or terminate it. Any change in the agreement requires at least thirty (30) days prior written notice by either party.

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